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Mozambique: Short-Term Prospects

Special National Intelligence Estimate Memorandum to Holders

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SNIE 72.3-85
June 1986

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THE NATIONAL FOREIGN INTELLIGENCE BOARD CONCURS.

The following intelligence organizations participated in the preparation of the Estimate:

The Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, the intelligence organization of the Department of State.

Also Participating:

The Assistant Chief of Staff for Intelligence, Department of the Army The Director of Naval Intelligence, Department of the Navy The Assistant Chief of Staff, Intelligence, Department of the Air Force

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MEMORANDUM TO HOLDERS OF SNIE 72.3-85

MOZAMBIQUE: SHORT-TERM PROSPECTS

Information available as of 12 June 1986 was used in the preparation of this Estimate, which was approved by the National Foreign Intelligence Board on that date.

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SCOPE NOTE

Mozambique's military and economic situation has continued to deteriorate over the past year despite Zimbabwean military support and President Machel's visits to the United States and the Soviet Union to seek increased support. This Memorandum to Holders of SNIE 72.3-85, Mozambique: Short-Term Prospects, published in June 1985, updates our assessment of the prospects for the survival of President Machel, the insurgency, Soviet involvement, and implications for the United States over the next 12 months.

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KEY JUDGMENTS

The Mozambique National Resistance (RENAMO) insurgents will probably intensify their activities throughout the country during the next 12 months, but will not win a military victory or force President Machel's government (FRELIMO) to share power. This means that RENAMO:

- Will probably consolidate and expand its position in central Mozambique, improving its ability to reinforce guerrilla operations in government-held areas to the north and south.
- Will not make major inroads into the government-controlled major cities, or into much of the southern countryside where the Machel government has substantial support.
- Might capture a major garrison or temporarily hold a city, dramatic events that could stimulate isolated mutinies and an increased rate of desertion in Machel's demoralized armed forces.
- May generate sufficient pressure to force Machel to reduce but not abandon—his opening to the West in an effort to acquire increased Soviet military aid.

In our judgment, Machel will probably remain in power over the next 12 months despite growing pressures on his regime:

- Machel is a skilled political survivor who retains the loyalty of his FRELIMO colleagues, and they have not yet lost their resolve, despite RENAMO's pressure.
- A successful coup by war-weary Army officers is unlikely for now, but the threat will grow in direct proportion to the deterioration of security, particularly after heavy rains resume in November.
- A successful Soviet-inspired coup is even less likely because Moscow probably will continue to view Machel as a more viable leader than any of his less talented colleagues.

a breakthrough toward a power-sharing agreement is unlikely as long as neither side is prepared to drop conditions currently unacceptable to the other.

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In our judgment, the Soviet Union will continue to provide assistance to the Machel government at, or modestly above, present levels over the next year. We believe that the Soviets are pursuing a cautious and incremental approach with Machel that seeks to barter future Soviet military aid for Mozambican concessions. Moscow delivered about \$175 million in arms in 1985, the lowest amount in three years, and only \$55 million in economic assistance.

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US and Western influence in Mozambique will be likely to decline gradually over the next 12 months as Machel turns increasingly to his Soviet allies for military aid to shore up his regime. While Machel was euphoric following his visit to Washington last September, Maputo now considers it overestimated US ability to compel South Africa to fulfill its promises under the Nkomati Accord, and recent US support

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for the Angolan insurgents has increased Mozambican anxiety that the United States will aid RENAMO as well. Moreover, Western economic aid has not met Mozambique's unrealistically high expectations or been enough to cure the country's intractable problems, and the West has furnished only minor military assistance. Some constraints on Mozambique's moving too close to the USSR will nonetheless remain: fear of possible South African reprisals, and, to a lesser degree, the need for US and Western economic aid, in a situation of security and economic deterioration.

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Implications for the United States of scenarios we consider less likely—a military victory by RENAMO or the government, or a successful coup against President Machel—would appear to be highly contingent upon the following circumstances:

- Whether the fighting ceased, or remnants of the losing side coalesced into a viable insurgency.
- Whether the government in Maputo adopted conciliatory policies, or it sacrificed greater stability and valuable talents by excluding former adversaries.
- Whether South Africa supported the regime, or Pretoria sought to undermine it.
- Whether other neighboring states accepted the Mozambican Government, or they adopted a hostile attitude

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Of these possible scenarios, the only one clearly unfavorable to US interests would be a successful leftist coup that ushered in closer Mozambican-Soviet relations and reduced chances for a FRELIMO-RENAMO settlement. National reconciliation—the outcome most favorable to US interests should it prove lasting—is, in our judgment, unlikely over the time period of this Estimate given the intransigence of both the Machel government and RENAMO. Longer term prospects for serious talks between both parties may grow if neither side gains a critical advantage or seems much closer to victory. A coup by more moderate military elements or a RENAMO military victory would appear to have both pluses and minuses for the United States, and the implications for the United States would be largely dependent on the composition and acceptability of the new regime. Least likely, a government military victory would have mixed results. On the one hand, it would appear to validate Soviet military support; on the other hand, peace, if lasting, could bring economic development again to the fore and enhance US and Western leverage.

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both exploratory talks with the rebels and more military aid from the Soviets. Secret contacts between government and insurgent officials have been reported. A leadership shakeup in March 1986 put Politburo members in positions to monitor discontent and corruption, and a subsequent government reorganization placed pro-Machel technocrats in control of key ministries. The shakeup, designed in part to gain increased Soviet assistance, increased the nominal authority of two pro-Soviet hardliners and reinforced the party's role over the government. During a visit to Moscow in March 1986, Machel received assurances of continued Soviet military support, but apparently less than he sought

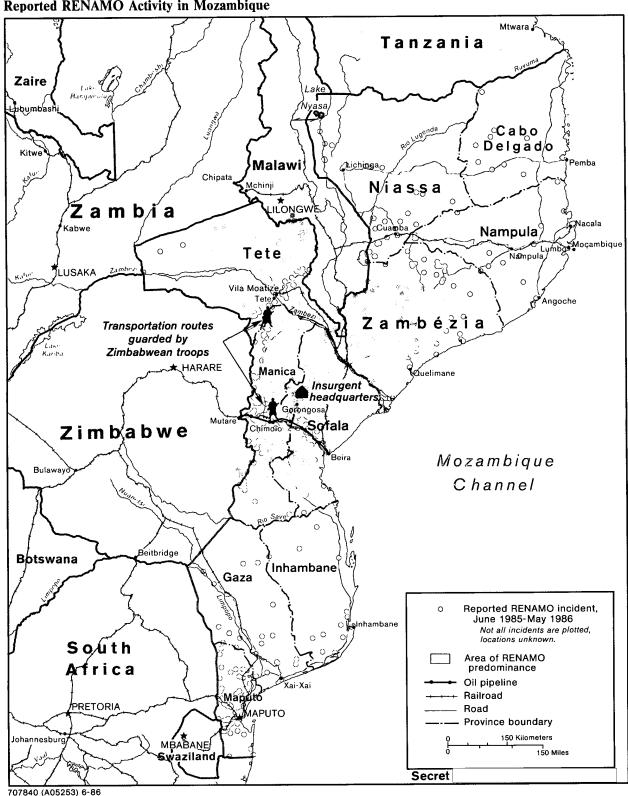
Insurgent (RENAMO) Situation and Prospects Military Prospects

3. The Mozambican insurgents were knocked off stride in their heartland of central Mozambique last August when Zimbabwe doubled its military forces in the country to about 9,000 troops and used airstrikes and a heliborne assault to drive the rebels from their headquarters in the rugged Gorongosa mountains. The guerrillas avoided heavy casualties by dispersing into the surrounding countryside and neighhundred guerrillas there have overrun military bases, economic facilities, small towns, and district capitals, and they have an extensive network of base camps linked by radio communications. RENAMO has wide popular support among the Ndau and Sena tribes in the central region, and the rebels have recruited tribal leaders to create a rudimentary grassroots administration. The guerrillas dominate rural areas and deny government control in the central third of the country.

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7. Firm control of the central region would enable RENAMO to shift some forces and intensify operations in the northeast, the south, and around the major cities. Expanded guerrilla operations beyond the central region are essential if RENAMO is to evolve into a national movement that would seriously threaten the survival of the Maputo government. The transition will be difficult and time consuming, in part because of Mozambique's vast size and relatively isolated population groups. RENAMO will continue ambushes of roads and railways near Maputo, which have so far failed to isolate the capital or spark panic, and will continue to take credit for sabotage in Maputo, which may be carried out by South Africa. The insurgents probably will attempt more spectacular raids like their destruction of the Revolutionary Front for the Liberation of Mozambique (FRELIMO's) main ammunition dump near Maputo last September, and would like to mount sustained attacks in the major cities.

8. Substantial foreign aid does not appear to be essential to sustain RENAMO's guerrilla campaign. Most weapons that have been recovered from the insurgents had been captured from the Mozambican Army. Even though insurgent records seized in August 1985 revealed that Pretoria continued small deliveries of military supplies to RENAMO after signing the Nkomati nonaggression pact with Maputo in March 1984, we believe that South Africa today provides only small amounts of arms and ammunition, in addition to intelligence, advice, communications support, and medical supplies, in order to maintain influence with the group. Some South African supplies probably go through Malawi,

It is difficult to estimate the extent of support to RENAMO, but in our judgment it remains small and not critical militarily. Emulating the Angolan insurgents, RENAMO has opened an office in Washington, hopes to arrange a visit to Washington by its leader President Jacama in an effort to acquire US support, and probably will attempt to open offices in other

Political Prospects

Western capitals.

10. RENAMO today has almost twice as many guerrillas, active in more than double the territory,

and opposed by fewer government troops than was the case for FRELIMO during the height of its guerrilla struggle in the early 1970s. FRELIMO, however, had a better developed political structure than RENAMO has yet managed. Despite its impressive military accomplishments, RENAMO is not developed politically. RENAMO spokesmen contend that this represents a decision to focus on military objectives first. President Afonso Jacama, about 34 years old and commander of RENAMO's military forces since 1979, is a capable military leader who has the loyalty and respect of the guerrillas-most of whom are fellow blacks from the central provinces—but he is introverted and politically inexperienced in comparison with Mozambique's charismatic President Machel. Popular support for the rebels is concentrated among the tribes of central Mozambique, where the rebels have recruited heavily and stressed opposition to the Marxist FRELIMO government, which is dominated by southerners. With

has trained political commissars and local administrators and attached them to guerrilla units to handle relations with the local civilians. They have created a rudimentary grassroots administration in the central region by reestablishing tribal leadership and customs—which FRELIMO sought to eradicate—and by organizing some elementary schools, medical clinics, and basic agricultural assistance, although it is unclear how successful or extensive they have been. Tribal support was instrumental in RENAMO's rapid growth in the early 1980s, but the rebels' tribal image now inhibits efforts to expand beyond the central region.

11. RENAMO's tiny political wing abroad is fragmented and ineffective, and it probably will not gain significant international recognition during the next 12 months. Only Pretoria has accorded any official status to RENAMO

RENAMO

also maintains a nonofficial presence in Kenya, Malawi, Zaire, West Germany, Portugal, and the United

States.

Bickering between Fernandez and RENAMO's black politicians has paralyzed the political wing, which probably will splinter further during the year to come. Fernandes is attempting to enhance the rebels' image by co-opting other Mozambican dissident groups, all of which are minuscule, exile based, and without armed forces in Mozambique, but these groups seek an alliance rather than absorption into RENAMO. Maputo reportedly is ma-

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nipulating some of them to foment dissention among the rebels.

12. RENAMO's tough negotiating conditions offer dim prospects for early reconciliation. Insurgent spokesmen insist that all foreign troops must first leave Mozambique and that FRELIMO recognize RENAMO as a legitimate political force. Beyond that, the rebels insist that they must administer the central provinces during any cease-fire and have control of the key ministries in a transition government before holding national elections. Jacama is unlikely to reduce these demands substantially as long as the guerrillas maintain their military momentum.

Government (FRELIMO) Situation and Prospects Military Prospects

13. The continued erosion of the military balance is to the rebels' advantage. The Mozambican Army's 35,000 troops and 30,000 or less poorly trained militia have an inadequate manpower advantage over the guerrillas and suffer from a garrison mentality. Despite the efforts of about 2,000 Soviet Bloc military advisers and nearly \$200 million in Soviet military aid each year, Maputo's unaggressive forces initiate less than one-third as many clashes as do the rebels. FRELIMO generally does not reinforce hard-pressed provinces, whereas RENAMO shifts forces freely to gain a local advantage. Frequent incidents of government forces dropping their arms and fleeing in panic when attacked are in marked contrast to the insurgents' controlled withdrawals. Government efforts to use airpower more extensively in recent months apparently have not had a significant effect on the guerrillas.

14. The Army seems capable of holding areas in the northeast and south and the major cities over the year to come, however. Government forces in Cabo Delgado Province and resistance by the independent-minded Maconde tribe have prevented RENAMO from enlarging the foothold it gained there in mid-1984. More concentrated Army units with relatively short supply lines also have kept guerrilla activity at low levels in the three southern provinces, which are populated mainly by Shanganas who generally support the government and are traditionally hostile to the central tribes who constitute a majority within REN-AMO. FRELIMO has strengthened the capital defenses and is improving Maputo airport preparatory to moving fighter-bombers there. FRELIMO also reactivated some elite Mozambican commandos who had served in the Portuguese colonial army, and they repulsed an insurgent raid in the Maputo suburbs last April. In our judgment, a spectacular government setback—such as the loss of a city or Army brigade headquarters—could cause entire Army units to collapse, desert, or mutiny, and government forces would be hard-pressed to mount successful counterattacks without outside assistance.

15. Maputo is unlikely to gain substantial new military assistance over the near term. Zimbabwe has reduced its forces in Mozambique and is concentrating on defending the pipeline and railway to Beira. The Soviet Union probably will continue its military aid at or slightly above current levels.

and Tanzania continues to provide military training, but no short-term impact is expected.

Economic Trends

16. Rebel attacks over recent years have disrupted rail, road, and port transportation, reduced mine and farm output, caused electric power outages, enlarged refugee populations, and led to devastating food shortages. The Mozambique Finance Minister reported in December 1985 that GDP contracted by 20 percent in 1985 despite the end of a severe drought which lasted from 1982 to 1984. Drought cut harvests of corn, rice, and other staple crops in half in 1984, and grain marketing in the crop year beginning this May is projected to total little more than one-tenth of requirements. Capacity utilization in manufacturing has ranged from 10 to 40 percent during the past few years. Government revenues have fallen by nearly one-half since 1982, to \$380 million in 1985. Sketchy data indicate that exports declined from about \$230 million in 1982 to only \$75 million in 1985, leaving Maputo unable to make principal and interest payments on its \$2.4 billion foreign debt. Although exports may have bottomed out in 1985, they are unlikely to recover enough this year to ease Mozambique's foreign exchange shortage or enable Maputo to catch up on debt repayments.

17. The economic impact of the insurgency and of foreign exchange shortages will continue to offset most of the positive effects of Maputo's reforms for the period of this Estimate. We estimate that the economy will continue to contract, although at a slower pace than in 1985 because of the positive effects of average to good weather and of Machel's economic reforms. We expect that government revenues will decline slowly over the next year or so and that Maputo will make additional cuts in imports. Shortages of food and

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consumer goods will contribute to popular weariness and disenchantment with FRELIMO leadership and with the inability of the military to overcome the RENAMO insurgency. Increased economic hardship, particularly in the countryside, will further erode government support even in areas where it is still strong

18. While the authoritarian political aspects of Leninism clearly suit Machel and his lieutenants, he has become aware of the negative impact of his government's socialist economic policies and remains committed to the limited economic reform program launched over the objections of hardline Marxists in early 1983. This program consists of five elements:

- Distributing agricultural land from state farms to cooperatives and private farmers.
- Increasing selected prices, particularly of foodstuffs, to encourage production and marketing.
- Returning some nationalized manufacturing firms to private ownership.
- Strengthening Western economic ties by joining international financial organizations such as the International Monetary Fund and the International Bank for Reconstruction and Development and soliciting private investment by US and other Western firms.

- Reestablishing economic ties to South Africa.

19. The West has provided Maputo with about \$1.5 billion in humanitarian and development assistance since 1980, roughly three times what the Soviet Bloc has given. Nonetheless, Western aid has not met Mozambique's unrealistically high expectations or its massive needs. Moreover, we expect some donors to begin soon to remove advisers and shift funds from vulnerable projects in the central region to safer areas in the south. If Western aid diminishes, Mozambique's dissatisfaction will grow, strengthening the position of those in Maputo who oppose the opening to the West. For now, Machel appears determined to continue economic liberalization. Even though he probably sought to appease Moscow and its supporters within his own regime when he recently promoted pro-Soviet hardliners Armando Guebuza and Mario da Graca Machungo to Politburo positions overseeing economic policy, he also appointed pragmatic moderates to head the economic ministries, where they probably can block the hardliners' efforts to change course.

Political Prospects

20. While Machel continues to pursue policies weighted in favor of the Soviet Bloc, he has made some policy adjustments designed to attract Western aid as well as continued Soviet Bloc support. In our view, Machel is a Mozambican nationalist and African socialist who is disillusioned with failed Marxist programs for economic development and Moscow's inadequate and inappropriate military aid, but he sees no prospects of gaining significant military assistance from the West.

21. The unchecked insurgency and economic slide have raised the potential for a coup against Machel. Reports of plotting by disaffected Army officers to remove Machel and make peace with the rebels increased early this year as the guerrillas rebounded, but whatever conspiracy may exist apparently has not yet led to advanced planning for a coup attempt and may have been set back by recently announced measures to increase civilian control and political indoctrination of the military

22. A negotiated settlement with RENAMO is unlikely during the next 12 months.

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two sides remain far apart in overcoming their preconditions for serious talks. Each side's response to the other's tough demands has been to pursue its military option, although FRELIMO also offered amnesty to any guerrillas willing to surrender.

South African Involvement

23. South Africa is unlikely to renounce the Nkomati accord during the year to come but will continue to provide small amounts of covert aid to RENAMO in order to keep influence with the insurgents. Pretoria is anxious to preserve the agreement in hopes of establishing other bilateral and regional security accords with its neighbors, but it has stalled on providing promised economic assistance and seems content with the current level of insurgency and economic paralysis in Mozambique. We believe that the South African leadership has approved the assistance to RENAMO and that it is not an unauthorized activity by military officers sympathetic to the insurgents. Moreover, Pretoria could decide at some point to back the rebels more fully and openly if FRELIMO's situation becomes hopeless, if Machel renounces the agreement, or if a substantial augmentation of the Soviet Bloc military presence were to occur.

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24. ANC activity has increased slightly in Mozambique in recent months with the acquiescence of the Maputo government, and South Africa probably will attack ANC targets in Mozambique during the next 12 months. Whether or not such an attack will greatly damage the Nkomati Accord will depend upon the scale of the operation and the state of relations at the time. A major escalation of Soviet or Cuban military presence in Mozambique, particularly near the South African border, almost certainly would provoke a hostile South African reaction, either directly or through RENAMO. Pretoria probably views the recent introduction of SA-2 missiles near Maputo as provocative, and the continuation of the air defense buildupespecially basing of MIG-21s in Maputo—would strain relations with Pretoria and could trigger a South African raid.

Soviet Involvement

Current Relations

25. Soviet concerns about losing influence in Mozambique have lessened since 1983 and 1984 when Machel loosened ties to Moscow to improve relations with the West and South Africa. Nonetheless, since that time FRELIMO's inability to contain RENAMO poses a threat to long-term Soviet prospects in the country. We believe that the Soviets now are more realistic and cautious in dealing with Maputo, and that they will pursue an incremental approach of tying future Soviet aid to concessions from Machel. Moreover, Moscow undoubtedly sees Mozambique as less important than either Angola or Ethiopia, which have better economic prospects, important regional roles, and more firmly established Marxist-Leninist institutions.

26. The Soviet Union delivered an estimated \$175 million in arms to Mozambique last year—the lowest annual total since 1982—and deliveries so far in 1986 also have been relatively meager. Since last June the Soviets have provided several patrol boats and small minesweepers, SA-2 and SA-3 surface-to-air missiles (SAMs) and associated equipment, two MIG-21 interceptors, 36 howitzers, and 34 trucks and communications vans. The provision of more air defense equipment, including the first-ever delivery of SA-2s to Mozambique, reflects Moscow's continued emphasis on countering the South African conventional threat. The 800-man Soviet military advisory group in Mozambique essentially has remained unchanged, although Moscow began to evacuate Soviet dependents in February from provinces threatened by the insurgents. Soviet military personnel provide logistic support (including transport pilots), instruction, tactical advice, and equipment assembly and maintenance services. Cubans fill many of the same functions but may also operate such sophisticated equipment as MIG aircraft and SAM missiles, while East Germans work closely with the Mozambican intelligence service. We expect no significant change in these roles and manpower levels over the next 12 months.

27. Moscow's estimated \$55 million in economic assistance to Mozambique in 1985 was less than one-third of its military aid. The USSR will not provide sufficient food and budgetary assistance to meet Mozambique's considerable needs. It will continue to support mining, transportation, and other infrastructure projects in secure areas by providing equipment credits

Prospects for the USSR

28. While limiting risks and costs, Moscow wants Machel to return to a more orthodox Marxist-Leninist, pro-Soviet orientation, and it seeks a revitalized Soviet role as the predominant foreign influence in Mozambique. The Kremlin intends to undermine Western influence by emphasizing that the West is not to be trusted, despite the fact that it has provided economic aid and minor amounts of military assistance. As long as the security situation deteriorates slowly, and the FRELIMO government is able to control key urban areas, the Soviets probably will continue their assistance and advisory presence at current levels. This would ensure Mozambican military dependence on the USSR while encouraging Machel to step back from his opening to the West. We judge the economic burden of this policy to the Soviets to be relatively low.

29. Moscow might moderately increase its military support to Maputo by providing more fighter aircraft, helicopters, tanks, artillery, and advisory support in response to a Mozambican pledge to limit its turn Westward or formalize Soviet naval and air access to Mozambican facilities. Moscow might also take this step in response to Western or increased South African efforts to aid RENAMO. A moderate increase in Soviet military aid would not be enough to turn the military tide against the rebels, but it could reinforce the long-term Soviet position in Mozambique at reasonable cost.

30. A military assistance operation designed to reverse Maputo's military fortunes probably would include large numbers of aircraft, expanded logistic assistance for Mozambican forces, large numbers of Soviet Bloc advisers and technicians, and, possibly, an infusion of Cuban combat troops and pilots. We

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believe that this option is currently improbable because prospects for success would be questionable at best, the Mozambican forces could not absorb or pay for a massive increase in assistance quickly, and Cuba probably would prefer to avoid another counterinsurgency campaign in Africa in an area where Pretoria would have significant military advantages. In view of the Mozambican Army's ineptitude and RENAMO's nationwide distribution, such an operation might ultimately compare to the more than \$2 billion in Soviet military deliveries to Angola over the past four years and the 36,000 Cuban troops that still have not enabled Luanda to defeat the UNITA insurgents.

31. Greater deterioration of FRELIMO's position to the point where Moscow believed the situation was becoming seriously threatening to the survival of the FRELIMO regime could cause the Soviets to press Machel to negotiate a coalition government with REN-AMO that would enable FRELIMO to survive and buy time to try to reconsolidate socialism at some future date. Alternatively, the Kremlin might promote a coup by elements it believed could better prosecute the war against RENAMO with increased Soviet aid. or offer Zimbabwe incentives in the form of expanded military aid to increase its commitment in Mozambique. The last option would not be viable, however, unless Prime Minister Mugabe had strong reasons of his own for committing more forces to Mozambique and risking a South African backlash. Should REN-AMO come to power, Moscow probably would try to sponsor an insurgency by Marxist hardliner loyalists.

32. In the unlikely event of a rapid deterioration of the military situation and the consequent imminent threat to FRELIMO, the Soviets would be confronted with two unpalatable options-disengagement or a "rescue operation" involving a vastly expanded commitment. We believe that Moscow would strongly prefer to avoid withdrawal since it would call into question Soviet reliability as an ally and be seen in the Kremlin and internationally as a serious foreign policy setback. Nonetheless, we believe that Moscow would be more likely to disengage from Mozambique—while trumpeting the pitfall of Machel's dealing with the West and South Africa as an object lesson for other Soviet allies—than to mount a large-scale military intervention that would invite direct confrontation with Pretoria.

Outlook

33. In our view, Machel is a skilled political survivor who probably will remain in power during the

year to come. We believe that a military coup over the next few months is unlikely, but that the threat will grow in direct proportion to the deterioration of the security situation, which we expect to worsen when the rains come in November. Overall, we estimate the propects for a coup within the next 12 months at less than 50 percent. In our judgment, a Soviet-inspired coup is unlikely because Moscow will continue to view Machel as a more viable leader than any of his less talented colleagues.

34. RENAMO is unlikely to defeat Maputo's forces militarily or to force Machel to negotiate a power-sharing agreement during the year to come, but we expect RENAMO to become so firmly entrenched in the central provinces that government forces will be unable to dislodge it. Unless stalled again by a new Zimbabwean military offensive, the rebels would then be poised to shift more forces both north and south and to increase pressure on Maputo. In our view, RENAMO is likely to intensify its urban attacks and to make progress in expanding rural support.

35. There is a small chance that clandestine FRE-LIMO-RENAMO contacts will lead to substantive talks and possibly a temporary cease-fire. A breakthrough toward a power-sharing agreement is extremely unlikely, however, as long as neither side is prepared to drop conditions currently unacceptable to the other. In the unlikely event that the rebels come to power soon, we would expect some short-term improvement in the economy if South Africa increased trade shipments through Maputo and stimulated new investment in Mozambique. However, more profound economic recovery would depend upon the willingness of other external donors and investors to inject substantial amounts of new capital. RENAMO also would have to cope with pockets of armed resistance by FRELIMO remnants and others, and possibly a Sovietsupported FRELIMO insurgency with guerrilla bases in neighboring Tanzania.

36. Mozambique's deepening military dependence on the Soviet Union probably will force Machel to slow but not reverse his opening to the West over the near term. Machel is likely to promote additional pro-Soviet hardliners and indulge in more anti-American rhetoric, hoping to gain increased Soviet Bloc assistance. In our judgment, neither Machel nor Moscow yet views RENAMO as able to threaten the survival of the FRELIMO regime, and Machel remains reluctant to call for Cuban troops.

37. South Africa probably will not openly renounce the Nkomati accord but will continue small amounts of covert aid to RENAMO to maintain influence with 25X1

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the rebels. Pretoria probably will resume attacks against the growing ANC presence in Maputo. We would expect a hostile South African reaction to any major Soviet Bloc military escalation in Mozambique, especially a buildup of offensive weapons in regions adjacent to South Africa. Eventually, dramatic insurgent gains might cause South Africa to abandon the Nkomati pact and increase its support for RENAMO.

38. The Soviet Union will continue to provide military assistance to the Machel regime at or modestly above present levels over the near term. The Kremlin is unlikely to disengage abruptly from Mozambique or to intervene on the massive scale necessary to roll back RENAMO over the near term.

39. We believe it unlikely that Cuba would send combat ground forces to Mozambique over the next 12 months. Havana, frustrated by its continuing 11-year combat involvement in Angola, would face the unwelcome prospect of a direct confrontation with South Africa, which has issued a clear warning against deployment of Cuban combat troops to Mozambique.

Implications for the United States

40. Even though Mozambican-US bilateral cooperation expanded significantly over the past year, prospects are for some cooling in relations over the next 12 months. The magnitude of Mozambique's economic needs is a powerful stimulus to Maputo to continue its cooperation with the West. Nonetheless, Western economic assistance has not met Mozambique's unrealistically high expectations or been enough to cure the country's intractable problems, and the West has furnished only minor amounts of military aid. Moreover, Maputo now realizes that it overestimated US ability to compel South Africa to fulfill its promises under the Nkomati accord, and recent US support for the Angolan insurgents has created anxiety in Maputo that the United States will aid RENAMO as well.

41. We expect security and the economy to continue to deteriorate slowly. The implications of this for the United States will be negative but gradual. Western economic aid will continue to provide some

leverage over the Machel government, and fear of South African attack or renewed support to RENAMO will constrain Maputo in making major concessions to Moscow. Western influence will diminish, however, as the growing threat to FRELIMO's survival overshadows its economic concerns, and the Soviets insist on concrete concessions in return for their military aid.

42. Implications for the United States of scenarios we consider less likely—a military victory by REN-AMO or the government, or a successful coup against President Machel—would appear to be highly contingent upon the following circumstances:

 Whether the fighting ceased, or remnants of the losing side coalesced into a viable insurgency.

- Whether the government in Maputo adopted conciliatory policies, or it sacrificed greater stability and valuable talents by excluding former adversaries.
- Whether South Africa supported the regime, or Pretoria sought to undermine it.
- Whether other neighboring states accepted the Mozambican Government, or they adopted a hostile attitude.

43. Of these possible scenarios, the only one clearly unfavorable to US interests would be a successful leftist coup that ushered in closer Mozambican-Soviet relations and reduced chances for a FRELIMO-REN-AMO settlement. National reconciliation—the outcome most favorable to US interests should it prove lasting—is, in our judgment, unlikely over the time period of this Estimate given the intransigence of both the Machel government and RENAMO. A coup by more moderate military elements or a RENAMO military victory would appear to have both pluses and minuses for the United States, and the implications for the United States would be largely dependent on the composition and acceptability of the new regime. Least likely, a government military victory would have mixed results. On the one hand, it would appear to validate Soviet military support; on the other hand, peace, if lasting, could bring economic development again to the fore and enhance US and Western leverage.

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ANNEX B

RENAMO: ORIGINS AND ORGANIZATION

Origins

1. After Portugal granted Mozambique independence in 1975 and turned power over to FRELIMO, several anti-FRELIMO groups and individuals banded together to form what later emerged as the Mozambican National Resistance. Rhodesian Intelligence played an instrumental role in the formation of the group in order to harass Robert Mugabe's Mozambican-based Zimbabwe African National Union (ZANU) guerrillas, the most effective anti-Rhodesian insurgent group. RENAMO, which initially numbered around 200 members, was divided into two wings, political and military, a structure that helped to ensure a strong Rhodesian role as the conduit between the two wings.

2. RENAMO united a wide variety of anti-FRE-LIMO groups with disparate outlooks and included:

- A variety of small political parties that refused absorption into the larger and more powerful FRELIMO.
- Black and white Mozambicans who as colonial army officers and secret police had aided the Portuguese against FRELIMO.
- Landowners and businessmen of Portuguese descent who had lived for generations in Mozambique and were being forced to abandon their properties.
- Various tribal leaders from northern and central Mozambique who had experienced frictions before independence with the southern-led FRE-LIMO.
- 3. By 1977, RENAMO guerrillas based in eastern Rhodesia had begun reconnaissance and sabotage operations against ZANU and Mozambican military forces in central Mozambique. In 1978, RENAMO began conducting occasional small hit-and-run attacks against Mozambican economic targets.
- 4. Shortly before Zimbabwe's independence in April 1980, South Africa assumed sponsorship of REN-AMO, which at that time claimed to have at least 2,000 men under arms. RENAMO members were

resettled on South African military bases, and South African military advisers subsequently established a headquarters and training bases for RENAMO in the northern Transvaal. In addition, Pretoria quickly set up a communications network between Mozambique and South Africa as well as a logistic infrastructure for resupply and troop rotation.

Organization

5. RENAMO today has serious organizational and leadership shortcomings that we believe would become even more pronounced were the group to gain a voice in the Maputo government or assume power on its own. Within Mozambique, the group's weak political structure initially used tribal hierarchies to try to provide rudimentary administration and public services only in central Mozambique, but we do not know the current status of these efforts. Popular support concentrated among the Shona- and Sena-speaking tribes was instrumental in enabling RENAMO to dominate rural areas of the central provinces, but it seems that the group's regional and tribal bases have made more difficult efforts to attract support in other areas. Outside Mozambique, RENAMO's small political wing-numbering 100 or fewer members-has been disorganized and ineffectual since its inception. Political exiles are scattered in Portugal, West Germany, Kenya, South Africa, and the United States, and are isolated from guerrilla leaders in Mozambique who clearly hold ultimate authority. RENAMO's external political organization meets infrequently and is riven by personal frictions. Most decisions are made by Secretary General Evo Fernandes in Lisbon

6. By all accounts RENAMO espouses pro-Western, democratic ideals. RENAMO goals, beyond the "ouster of Machel and his Communist government" and a commitment to a mixed economy, appear vague. According to a RENAMO document released in September 1985, the group stands for:

- Eradication of Communism.
- Establishment of a government of national unity to introduce and stabilize a democratic order.
- Free elections.

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 A mixed economy with government responsibility for health and education services. Full cooperation with Mozambique's neighbors, especially those like Zimbabwe that rely on Mozambican ports. 7. In contrast to the political wing, RENAMO's estimated 15,000 men under arms appear cohesive and 	highly motivated. Under the direction of RENAMO President and Commander in Chief Afonso Jacama and a Military Council, the insurgents operate in all of Mozambique's 10 provinces in groups ranging from a handful to several hundred. Employing guerrilla tactics, they attack a wide range of economic and military targets, and have kidnaped and killed some foreign technicians in an effort to disrupt the economy	25X1 25X1

ANNEX C

MILITARY BALANCE

FAM

- 1. The Mozambican Armed Forces include a 35,000-man Army and 30,000 or fewer poorly trained militia supported by a partially operational Air Force and a tiny coastal Navy. The FAM suffers from poor organization, leadership, and training, as well as insufficient and poorly maintained equipment, ineffective command, control, and communications, and pervasive discipline and morale problems. The Army is short of most basic needs. Episodes of FAM collaboration with RENAMO seem fairly common. In our judgment, the FAM is incapable of defending Mozambique against any level of South African attack, and is unlikely to improve its inadequate counterinsurgency capabilities appreciably during the period of this Estimate
- 2. The FAM's few units earmarked for counterinsurgency tend to be ad hoc formations with inappropriate heavy equipment and little specialized training. Soviet advisers have begun to train a second Mozambican airborne battalion, but the FAM will only have about 500 elite troops once the battalion becomes operational late this year. Maputo has expanded its militia forces rapidly, and we believe that more than 85 so-called provincial battalions have been created so far. They are increasingly participating in local counterguerrilla operations under Army control. Nonethe-

3. Protection of the capital and its resident government officials has received priority attention. The Presidential Guard has been reinforced, and new SA-2 surface-to-air missiles are being installed around Maputo. While the FAM's better troops are deployed around the capital and could be expected to put up a tenacious defense against a semiconventional assault,

they can do little to prevent insurgent or South African sabotage and terrorism in the city

4. The Air Force recently has acquired new MIG-21 interceptors, MI-24/25 attack helicopters, MI-8 transport helicopters, and AN-26 fixed-wing transports, but we have seen no improvement in operational capabilities. Mozambique reportedly still has no pilots qualified to solo in the MIG-21, and

only a few MIG-17 fighter-bombers and MI-24/25 attack helicopters are in use. Soviet provision of fuel, spare parts, and instructor and transport pilots enabled Maputo to increase its use of airpower during the latter half of 1985, but combat sorties have diminished so far in 1986, probably because of deteriorating operational readiness. We expect the lack of trained Mozambican pilots and maintenance personnel to continue to limit Air Force capabilities, and Mozambican, Cuban, and Soviet pilots probably will be increasingly deterred by RENA-MO's slowly improving air defenses. The rebels have used recently captured air defense guns and possibly SA-7 missiles to shoot down several Zimbabwean helicopters and at least one Mozambican MI-24/25.

- 5. Mozambique's forces are reasonably well supported with operational intelligence. Local informer networks known as Vigilance Groups are increasingly active in many areas. With close Soviet support, the Reconnaissance Directorate, the FAM's military intelligence arm, probably does a good job of tactical reconnaissance against the insurgents. The FAM has not yet shown the ability to respond effectively to available intelligence, however, and will continue to squander this advantage during the year to come.
- 6. Progress at rectifying the FAM's glaring weaknesses has been lacking. Troops continue to complain of insufficient food, clothing, and housing, and pay remains far in arrears. There has been little or no improvement in the FAM's exceedingly low will to fight or conduct offensive operations. Desertion and draft resistance remain massive problems
- 7. Although Soviet military assistance probably will be sufficient to prevent military defeat during the

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Table Comparative Military Capabilities

<u> </u>		
Capability	FAM	RENAMO
Operations		
Individual skills	Poor	Good
Leadership skills	Poor	Good
Command and control	Poor	Fair
Tactical initiative	Poor	Good
Conduct of offensive conventional operations	Poor	Poor
Defense of small towns	Poor	Poor-fair
Defense of cities and major garrisons	Good	Poor
Air support	Poor	None
Air defense	Fair	Poor
Cover, camouflage, concealment	Poor	Excellent
Intelligence collection	Good	Good
Intelligence utilization	Poor	Good
Operational security	Poor	Good
Support		
Arm troops	Good	Good
Train	Poor	Good
Tactical resupply	Poor	Fair
Feed, clothe, house, and pay	Poor a	Poor

^a Good in Maputo.

troops

near term, Moscow continues to ignore Mozambican requests for military reorganization, including the formation of an adequate number of specially trained counterinsurgency units. More likely, the Soviets will continue to advise using ad hoc task forces to deal with the worsening security situation. It is unlikely that the FAM will be able to contain the insurgency without reorganization and retraining of its forces

RENAMO

8. Over the past year RENAMO's approximately 15,000 guerrillas continued to exploit the FAM's defensive posture. Only Zimbabwean military intervention slowed rebel advances in the central region and forced them to divert resources that might have been

used to expand operations elsewhere. The insurgents demonstrated remarkable resilience and staged a rapid recovery from the Zimbabwean-led offensive.

- 9. Since last fall RENAMO has demonstrated the ability to take and temporarily hold small towns, including several district capitals. Good reconnaissance and judicious timing were keys to the success of these attacks. As long as the FAM remains unable or unwilling to defend or reinforce towns under attack, the insurgents will continue to carry out such operations effectively even without heavy weapons or conventional units. Were the FAM to strengthen garrisons in these towns, RENAMO probably would welcome Maputo's tying down of more troops in static defense.
- 10. Rebel attacks on infrastructure and economic targets have weakened the Machel regime and are likely to intensify over the next 12 months. Attacks inside major cities have been notably lacking, but RENAMO probably will increase pressure on the cities by sabotage operations and raids in built-up areas in order to undermine further the morale and loyalty of both the FAM and the civilian populace. Attacking economic and civilian targets serves the insurgents' strategy of seeking a collapse of the FAM's will to fight, a military coup, or FRELIMO concessions at the negotiating table, rather than the less likely and more distant prospect of a rebel military victory.
- 11. RENAMO's ability to continue recruiting and arming new members as well as to attract additional civilian support will dictate the pace and tempo of hostilities. Ethnolinguistic barriers and logistic limitations may have already begun to slow down what was described in 1985 by the Intelligence Community as Africa's fastest growing insurgency. Between 1980 and 1985, RENAMO grew from some 2,000 to an estimated 15,000 guerrillas. Sketchy and incomplete reporting suggests that this rate of growth may have slowed.
- 12. Over the coming year in the central region, RENAMO's guerrillas may begin to evolve toward a somewhat more conventional force that eventually

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will be needed if the FAM abandons large areas of the countryside and concentrates its forces around the major cities and a few other defensible enclaves. The rebels already operate in formations as large as 600 guerrillas, and they have captured a few armored vehicles, artillery pieces, air defense weapons, and mortars. The confident insurgents may even risk tak-

ing on the FAM in an isolated set-piece battle or attempt to overrun a city or brigade garrison during the period of this Estimate. Success would have a devastating effect on FRELIMO's morale, but the risk would be high that such an attack would expose concentrations of rebel forces to airpower or artillery fire.

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